


**STATE OF CALIFORNIA**  
**Budget Change Proposal - Cover Sheet**  
 DF-46 (REV 08/15)

Fiscal Year <b>2016-17</b>	Business Unit <b>8955</b>	Department <b>California Department of Veterans Affairs</b>	Priority No. <b>002</b>
Budget Request Name <b>8955-302-BCP-DP-2016-A1</b>		Program <b>6900 – Farm and Home Loans to Veterans</b> <b>6995 – Veterans Claims and Rights</b> <b>7000 – Care of Sick and Disabled Veterans</b> <b>9900 - Administration</b>	Subprogram <b>010 – Property Acquisition</b>  <b>010 – Claims Representation</b>  <b>010 – Headquarters</b> <b>100/200 – Dist. Administration</b>

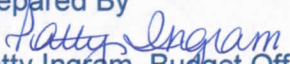
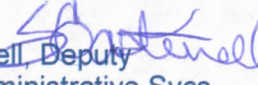
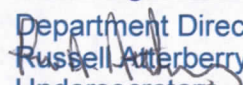
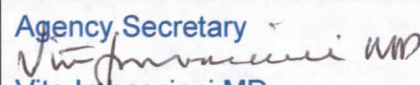
Budget Request Description  
 Administrative Support Services

**Budget Request Summary**

The California Department of Veterans Affairs (CalVet) requests \$1.746 million (\$1.643 million General Fund and \$103,000 Farm and Home Building Fund of 1943 [F&H Fund]) in Budget Year 2016-17 and \$1.662 million (\$1.563 million General Fund and \$99,000 F&H Fund) annually thereafter for 15.0 currently authorized, but unfunded, positions to provide support for CalVet's programs as a direct result of rapid growth in the Veterans Home of California over the past six years. The funding and positions will support information services, contracts, performance management and new federal reporting requirements.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO  Lisa Senitta, AIO	Date <b>3/29/16</b>
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR      Project No.      Date:		


If proposal affects another department, does other department concur with proposal? ☐ Yes      ☐ No  
 Attach comments of affected department, signed and dated by the department director or designee.

Prepared By  Patty Ingram, Budget Officer	Date <b>3/28/16</b>	Reviewed By  Sherri Gastinell, Deputy Secretary Administrative Svcs	Date <b>3-28-16</b>
Department Director  Russell Atterberry, Undersecretary	Date <b>3/28/16</b>	Agency Secretary  Vito Imbasciani MD	Date <b>28 March 2016</b>

**Department of Finance Use Only**

Additional Review: ☐ Capital Outlay    ☐ ITCU    ☐ FSCU    ☐ OSAE    ☐ CALSTARS    ☐ Dept. of Technology

BCP Type: ☐ Policy      ☒ Workload Budget per Government Code 13308.05

PPBA 	Date submitted to the Legislature <b>4/1/16</b>
---	--

# BCP Fiscal Detail Sheet

BCP Title: Administrative Support Services

DP Name: 8955-302-BCP-DP-2016-A1

## Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Salaries and Wages						
Earnings - Permanent	0	977	977	977	977	977
<b>Total Salaries and Wages</b>	<b>\$0</b>	<b>\$977</b>	<b>\$977</b>	<b>\$977</b>	<b>\$977</b>	<b>\$977</b>
Total Staff Benefits	0	541	541	541	541	541
<b>Total Personal Services</b>	<b>\$0</b>	<b>\$1,518</b>	<b>\$1,518</b>	<b>\$1,518</b>	<b>\$1,518</b>	<b>\$1,518</b>
Operating Expenses and Equipment						
5301 - General Expense	0	111	27	27	27	27
5302 - Printing	0	2	2	2	2	2
5304 - Communications	0	10	10	10	10	10
5306 - Postage	0	6	6	6	6	6
5320 - Travel: In-State	0	44	44	44	44	44
5322 - Training	0	16	16	16	16	16
5324 - Facilities Operation	0	8	8	8	8	8
5326 - Utilities	0	6	6	6	6	6
5340 - Consulting and Professional Services - Interdepartmental	0	15	15	15	15	15
5344 - Consolidated Data Centers	0	2	2	2	2	2
5346 - Information Technology	0	8	8	8	8	8
<b>Total Operating Expenses and Equipment</b>	<b>\$0</b>	<b>\$228</b>	<b>\$144</b>	<b>\$144</b>	<b>\$144</b>	<b>\$144</b>
<b>Total Budget Request</b>	<b>\$0</b>	<b>\$1,746</b>	<b>\$1,662</b>	<b>\$1,662</b>	<b>\$1,662</b>	<b>\$1,662</b>

## Fund Summary

Fund Source - State Operations						
0001 - General Fund	0	1,643	1,563	1,563	1,563	1,563
0592 - Veterans Farm and Home Building Fund of 1943	0	103	99	99	99	99
<b>Total State Operations Expenditures</b>	<b>\$0</b>	<b>\$1,746</b>	<b>\$1,662</b>	<b>\$1,662</b>	<b>\$1,662</b>	<b>\$1,662</b>
<b>Total All Funds</b>	<b>\$0</b>	<b>\$1,746</b>	<b>\$1,662</b>	<b>\$1,662</b>	<b>\$1,662</b>	<b>\$1,662</b>

## Program Summary

Program Funding						
6990010 - Property Acquisition	0	103	99	99	99	99
6995010 - Claims Representation	0	103	99	99	99	99

7000010 - Headquarters	0	1,540	1,464	1,464	1,464	1,464
9900100 - Administration	0	1,746	1,662	1,662	1,662	1,662
9900200 - Administration - Distributed	0	-1,746	-1,662	-1,662	-1,662	-1,662
<b>Total All Programs</b>	<b>\$0</b>	<b>\$1,746</b>	<b>\$1,662</b>	<b>\$1,662</b>	<b>\$1,662</b>	<b>\$1,662</b>

**Personal Services Details**

Salaries and Wages		CY	BY	BY+1	BY+2	BY+3	BY+4
1312	- Staff Info Sys Analyst (Spec) (Eff. 07-01-2016)	0	74	74	74	74	74
1441	- Office Asst (Gen) (Eff. 07-01-2016)	0	31	31	31	31	31
1479	- Asst Info Sys Analyst (Eff. 07-01-2016)	0	51	51	51	51	51
4800	- Staff Svcs Mgr I (Eff. 07-01-2016)	0	214	214	214	214	214
5142	- Assoc Pers Analyst (Eff. 07-01-2016)	0	186	186	186	186	186
5393	- Assoc Govtl Program Analyst (Eff. 07-01-2016)	0	311	311	311	311	311
5795	- Atty III (Eff. 07-01-2016)	0	110	110	110	110	110
<b>Total Salaries and Wages</b>		<b>\$0</b>	<b>\$977</b>	<b>\$977</b>	<b>\$977</b>	<b>\$977</b>	<b>\$977</b>
Staff Benefits							
5150150	- Dental Insurance	0	191	191	191	191	191
5150450	- Medicare Taxation	0	15	15	15	15	15
5150500	- OASDI	0	61	61	61	61	61
5150630	- Retirement - Public Employees - Miscellaneous	0	246	246	246	246	246
5150700	- Unemployment Insurance	0	2	2	2	2	2
5150800	- Workers' Compensation	0	26	26	26	26	26
<b>Total Staff Benefits</b>		<b>\$0</b>	<b>\$541</b>	<b>\$541</b>	<b>\$541</b>	<b>\$541</b>	<b>\$541</b>
<b>Total Personal Services</b>		<b>\$0</b>	<b>\$1,518</b>	<b>\$1,518</b>	<b>\$1,518</b>	<b>\$1,518</b>	<b>\$1,518</b>



### A. Budget Request Summary

The California Department of Veterans Affairs requests \$1.746 million (\$1.643 million General Fund and \$103,000 F&H Fund) in Budget Year 2016-17 and \$1.662 million (\$1.563 million General Fund and \$99,000 F&H Fund) annually thereafter for 15.0 currently authorized, but unfunded, positions to provide support for CalVet's programs as a direct result of the rapid growth over the past six years. The funding and positions will support the information services, contracts, performance management, and new federal Payroll-Based Journal (PBJ) reporting requirements.

The requested positions include:

#### Information Services Division (ISD):

- 1 Staff Information System Analysts (SISA)
- 1 Assistant Information System Analysts (AISA)

#### Contracts:

- 1 Staff Services Manager I (SSM I)
- 3 Associate Governmental Program Analysts (AGPA)
- 1 Office Assistant General (OA)

#### Human Resources Division (HRD):

- 1 SSM Is
- 3 Associate Personnel Analysts (APA)

#### Legal Division:

- 1 Attorney III

#### Reasonable Accommodation (RA):

- 1 SSM I

#### PBJ Reports:

- 2 AGPAs

### B. Background/History

The CalVet's mission is to serve California's veterans and their families. To carry out that mission, CalVet expanded from the first Veterans Home of California (VHC)-Yountville, established in 1884, to a system of eight campuses throughout California with the most rapid growth taking place between 2010 and 2013 during which time five new VHCs opened. The VHC-Lancaster, VHC-Ventura, and VHC-West Los Angeles (WLA), which make up the Greater Los Angeles Ventura County (GLAVC) homes, opened in 2010. The VHC-Redding and VHC-Fresno opened in 2013. The homes offer up to four different levels of care: domiciliary, Residential Care Facility for the Elderly (RCFE), Intermediate Care Facility (ICF), and Skilled Nursing Facility (SNF). Memory care, a service within the SNF, is also provided at four of the VHCs.

The CalVet's cemetery program has grown from one to three cemeteries. The VHC-Yountville cemetery, established in 1884, was the only CalVet run cemetery until the opening of the Northern California Veterans Cemetery, located in Igo, in 2005. The California Central Coast Veterans Cemetery, located in Seaside on the grounds of the former Fort Ord Army Base, is scheduled to open in summer 2016. A study is currently underway to determine the feasibility of a veterans cemetery in Southern California.

With the expansion of the VHCs and the cemeteries came an increase in the number of CalVet staff. In 1995-96 CalVet had just over 1,200 authorized positions. In 2016-17 that number will grow to approximately 3,300 authorized positions located throughout the state at the eight VHCs, three Veterans Services Division District Offices, three state cemeteries, a water treatment plant, and Headquarters (HQ) in Sacramento.



## **Analysis of Problem**

These programmatic increases came with funding and positions to support the additional workload. However, sufficient administrative support staff to manage the workload for the Veterans Homes Division, Veteran Services Division, and Farm and Home Loan Division was not provided. The lack of staff is detailed below.

### **ISD**

In the last five years, the number of electronic applications implemented, maintained, and supported increased from 14 to 36, which represents an increase of 157 percent. During this time, the CalVet transitioned to a new platform and went from traditional business hour support (Monday through Friday, 8:00 am – 5:00 pm) to 24/7 support, and launched more than 20 new work efforts and initiatives. While the work efforts and initiatives are being implemented, staff must continue to maintain and support the existing technology infrastructure, as well as develop skillsets to address the increasing needs, security risks, and challenges of new technologies.

The evolution of the healthcare technology arena has added complexity to the existing CalVet environment. Some examples include automated systems to track residents suffering from dementia who are at risk for leaving the homes (wander elopement systems); electronic nurse call-button systems that connect through switches and servers to collect and report information of response times and frequency of calls to central locations; automated medication dispensing equipment; and fire and security systems that now tie into the network. The technology on these systems improves the quality of care delivered to residents and places a substantial consequence and high demand for appropriate coverage and response to issues when a system fails. The consequences could be catastrophic to home residents should these systems fail.

Over the last five years, staffing levels for the ISD have been unable to keep up with the pace of growth in the number of applications, infrastructure maintenance, and support demands. In 2010, the ISD consisted of 74.0 staff; since 2015, the ISD has consisted of 89.0 staff. Many staff work beyond a normal work day schedule to keep up with the necessary support and maintenance. The Helpdesk and Personal Computer (PC) Support Service have not evolved to reflect the expectation and demand of 24/7 systems operated within the CalVet. Staff answer support calls at all hours of the day and night to provide assistance on electronic applications such as the pharmacy management system, security cameras, wander elopement systems and nurse call systems. Additionally, due to the critical nature and 24/7 usage of some applications, testing and maintenance can only be done during off-hours when usage is lowest.

### **Contracts**

The Department of General Services (DGS) administers statewide commodity contracts for use by state departments. DGS provides delegated contracting authority to CalVet. The CalVet's current Contracts Unit staffing model allocates one SSM I to oversee eight Contract Analyst positions; four centralized at CalVet HQ and four decentralized and located at the VHC-Yountville, VHC-Chula Vista, VHC-Redding, and VHC-Fresno. This combination of centralized and decentralized Contract Analyst positions is very ineffective. This model does not include clerical staff to perform the support functions for tracking of bids, creation of contract files, and distribution of executed contracts to stakeholders. As a consequence, the Contract Analysts at HQ must perform these clerical functions for the contracts they generate as well as for the contracts generated by the VHC Contract Analysts. This is because HQ is the central repository for the original bid and contracts files and acts as the liaison for routing contracts and other related documents.

In fiscal year 2008-09, 345 contracts and amendments were processed for three homes by nine Contract Analysts. In fiscal year 2014-15, a total of over 525 contracts were processed for eight homes by eight Contract Analysts, an increase of 52 percent.

The CalVet Contracts Unit has not been appropriately budgeted for the number of contract staff needed to timely and correctly process the increased workload. Because of this, stringent demands to expedite contract work are placed on CalVet's contract staff and the Contracts Unit has had to regularly reshuffle its priorities.

The current organizational structure is very inefficient and does not provide enough direct supervision or adequate review of contracts prior to the bidding process or contract execution. The state contracting process is very complex and can take years for an analyst to fully understand the various



## **Analysis of Problem**

bid solicitation processes and requirements for specific types of services. The CalVet's contract needs include a variety of bid and non-bid medical services, public works services, and general maintenance services. The Contract Analysts at the CalVet must learn the different requirements for each of the services through intense training and review by the SSM I. As a result of all of these issues, contracts are often processed with major inconsistencies, errors, ambiguity, and/or incorrect use of the various bid solicitation processes.

Due to the shortage of contract staff located directly in HQ, not all contract/bid templates have been updated with the newly revised requirements provided in the State Contracting Manual (SCM). In order to meet the CalVet's contract obligations in fiscal years 2013-14 and 2014-15, all contract staff, in HQ and the VHCs, worked extensive overtime. Temporary staff was also hired to help secure required contracted services.

## **Performance Management**

### **HRD**

The HRD has insufficient staff to effectively manage the increased workload in the area of performance management. The CalVet's growth in staffing has resulted in a significant increase in preventive and corrective memoranda (e.g., Training, Letters of Expectation, Letters of Instruction, and Leave Restriction Memorandums), adverse and non-punitive actions, rejections during probation, absence without leave notices, and miscellaneous employee performance issues. The HRD's staff has not increased proportionately to the increase in overall CalVet staff during the last few years. The CalVet's rapid position growth has resulted in an increased need for appropriate performance management training to all supervisors, managers, and personnel officers. Despite this, there is no additional staff allocated to specifically handle performance management issues.

Due to inadequate resources, the 2.0 Labor Relations Specialists in HRD are responsible for drafting, reviewing, and revising adverse and non-punitive actions and rejections during probation in addition to their regularly assigned duties. As part of this additional responsibility, the Labor Relations Specialists provide supervisors, managers, and personnel officers with guidance and direction on employee performance issues, as well as review and revise preventive and corrective memoranda and absence without leave letters for the VHC-WLA, VHC-Redding, and VHC-Fresno. Additionally, the Labor Relations Specialists consult and collaborate with HQs' classification and pay staff to review and revise preventive and corrective memoranda submitted by the VHC-Yountville, VHC-Barstow, VHC-Chula Vista, VHC-Lancaster, and VHC-Ventura.

Over the years the performance management workload has experienced a significant increase. In 2012-13, the Labor Relations Specialist was responsible for drafting, reviewing, and/or revising 84 performance management related documents. In 2013-14, that number grew to 181 performance management related items, which is an increase of approximately 115 percent. In 2014-15, there were 163 performance related items which is a decrease of approximately 10 percent. In 2015-16, there were 163 performance management related documents in the first six months of the fiscal year. It is anticipated this number will continue to grow. Due to CalVet not having adequate resources to handle the increase in personnel management workload, it entered into an agreement with the California Department of Human Resources (CalHR) whereby they agreed to review and write adverse actions for the VHC-WLA including providing representation at State Personnel Board (SPB) hearings due to inadequate staffing in CalVet's Legal Division. With the continued growth of the CalVet and the increased workload, incurred costs will further increase and the workload will remain unmanageable. Additionally, the Labor Relations Specialists' functions will not receive proper attention resulting in unresolved issues and the inability to properly train supervisors and managers to mitigate complaints, grievances, unfair labor practices, and personnel matters.

The Labor Relations Office's primary responsibility is to provide advice and assistance on labor related matters to CalVet supervisors and managers and to act as a liaison with CalHR, other state agencies, and labor organizations. The Labor Relations Specialists are responsible for representing the CalVet against unfair labor practices charges and meetings with union organizations and on statewide negotiation teams. This includes managing the grievance and arbitration process, providing staff work, advice and recommendations at all levels of review, assisting in providing training and guidance in grievance handling, and bargaining contract administration in accordance with the requirements of the



## **Analysis of Problem**

Ralph C. Dills Act of 1978 (Dills Act). However, with the ever-increasing performance management workload, the Labor Relations Specialists are unable to perform their required functions as per the Dills Act which in part establishes rights and imposes duties on both the state employer and the collective bargaining union. Any violations of one or more of the duties imposed by the Dills Act could result in grievances and unfair labor practice actions against the CalVet.

Because the Labor Relations Specialists have dedicated an increasing amount of time to performance management, they are unable to spend essential time and resources on labor relations related functions. In 2013-14, there were 39 grievances which required extensive research and numerous meetings with the unions, management, and personnel officers in order to facilitate resolution. In 2014-15, there were 40 grievances that required extensive research and responses which covered a wide range of complicated issues such as post and bid, out-of-class claims, mandated overtime, and reprisals. Also, the Labor Relations Specialists are responsible for chairing Joint Labor Management Committee Meetings with the unions and CalHR, provide formal notice to the unions, participate on bargaining and impact tables, manage the CalVet's drug testing program, provide contract training, and represent management at meetings with the unions. As the newest VHCs continue to increase staffing to full capacity, the workload will continue to increase and the Labor Relations Specialists will be unable to effectively address performance management in addition to their essential labor relations functions for HQ and the eight VHCs.

### **Legal Division**

The CalVet's Legal Division has seven staff attorneys. In addition to routine staff counsel duties, such as advising the Executive Staff, drafting legal opinions, and providing training, CalVet attorneys handle all of the litigation matters, including, but not limited to state court, federal court, and administrative hearings, for the eight VHCs, the Farm and Home Loan Division, Veteran Services Division, including district offices and cemeteries, and HQ. These legal services include not only defending the CalVet when it is sued, but filing actions on behalf of the CalVet to protect its assets and interests. The CalVet is not budgeted to pay outside legal fees, whether private or public (Department of Justice/CalHR).

When the VHC-WLA, VHC-Lancaster, and VHC-Ventura were opened, the Legal Division was not provided a budgeted position to handle the increased workload. This created a backlog that can no longer be absorbed with existing resources. The Legal Division has handled more than 200 legal matters out of the VHC-WLA, VHC-Lancaster, and VHC-Ventura, many of which involved administrative evidentiary hearings. Some of those matters involved litigation.

The Legal Division, amongst other duties, assists the CalVet HRD with performance management issues. Taking timely corrective and disciplinary action with respect to the employee misconduct prevents citations, monetary penalties, and/or loss of licensure from one of the CalVet's oversight entities, the California Department of Public Health (CDPH). Moreover, keeping individuals employed after allegations of neglect and/or abuse are substantiated because of insufficient staffing to address the conduct is not only contrary to CalVet's mission (to provide the best possible care to California's veterans), but it creates liability for the CalVet if the culprits victimize someone else while awaiting termination. These individuals need to be dealt with swiftly, but there's simply not enough staff in the Human Resources and Legal Divisions to address the workload.

### **RA**

The Equal Employment Opportunity (EEO) Officer serves as the Reasonable Accommodation Coordinator (RAC) for the CalVet and has primary responsibility for managing the entire RA caseload within the CalVet. The RACs are designated to assist with processing RA requests within each of the VHCs, but the EEO Officer has ultimate oversight for the process and must ensure that the RACs and supervisory personnel utilize best practices, assure employee rights, and comply with all related statutory regulations.

The RA caseload within the CalVet has increased in the last five years primarily due to the activation of the newest VHCs. In calendar year 2010, the EEO Office processed or oversaw 19 requests/issues; in 2014 there were 26 requests/issues plus 80 standing agreements that required review/revision, and in 2015 there was a total of 25 requests/issues and three appeals for denial of RA, which required conference with and document discovery for the Legal Division.



## **Analysis of Problem**

These numbers reflect only those cases in which the EEO Officer has been integrally involved; each year the homes' RACs process many additional requests for which the EEO Officer must provide guidance and management. Those numbers vary according to the size and population of the home, but average 5 per home, or 40 per year. Most of these cases are not disposed of within the calendar year but instead warrant months of oversight and management. For example, of the 80 standing RA agreements mentioned above that required review/revision in 2014, approximately 30 are still open and currently being managed by the EEO Officer and HR staff at the home.

Many of these cases have been active for years and have warranted diligent and timely oversight. The least complex cases require on average four hours of labor; the more complicated ones can necessitate up to 40+ hours per month or 480+ hours per annum. The RACs at the veterans homes typically elevate only the most complicated cases to the EEO Officer for resolution.

The need to train supervisory personnel has also increased commensurate with the increase in staff for the newer CalVet homes. It is the EEO Officer's responsibility to ensure that all CalVet supervisory personnel receive training on the RA process upon hire and then annually thereafter. This is challenging given the remoteness of the homes and the fact that the CalVet is hiring 20+ new employees on average every quarter.

Untrained supervisors can pose a significant risk to the RA process and the CalVet. Any negligence can result in complaints, grievances, or costly appeals and litigation. The EEO Office received three such complaints in 2015 calendar year, which resulted in approximately 120 hours of labor within the EEO Office alone.

The EEO Officer also has primary responsibility for managing the Discrimination Complaint Process for the CalVet and must ensure that all complaints are reviewed, investigated and disposed of within statutory timeframes. Complaint activity within the CalVet has increased within the last five years as well. In calendar year 2010 there were 51 complaints, in 2014 there were 103 complaints, and 2015 there were 88 total complaints, 8 of those still open and requiring disposition. Man-hours needed for disposition of complaints range from 4 to 600+. A recent investigation required nine months to disposition.

The complaint numbers above do not accurately reflect the number of complaints that are actually received by the EEO Office. An average of three complaints per month are received in any calendar year that do not meet jurisdiction for inquiry by EEO staff, but still require some level of response by the EEO Office. Typical responses include intake contact with the complainants and guidance for management personnel on how best to address the specific matters.

The EEO Office is comprised of the EEO Officer/Manager and two EEO investigators, all of which respond to CalVet complaints. The EEO Office also acquired CalVet's Health Insurance Portability and Accountability Act/Privacy function in calendar year 2016, along with an SSM I position to manage that function and now has primary responsibility for administering that program on a statewide basis. Only the EEO Officer, however, manages the entire CalVet RA caseload and responds to requests for accommodation. There is no other EEO staff to assist with this function. This is problematic on two levels: 1) response time to requests for accommodation can be compromised due to the high volume of EEO complaints and the need for the EEO Officer to perform other functions; thus resulting in additional complaints and appeals, and, 2) it places the EEO Officer in a position of potentially having to preside over accommodation matters and adjudicate those same matters if they evolve into complaints thereby posing a significant conflict-of-interest. Appointing another individual to serve as the CalVet RAC will create an independent level of review for disability issues and ensure that those issues are addressed in a timely manner.

## **PBJ Reports**

The PBJ reporting system for staffing is the most recent of federal requirements regulating the Long Term Care (LTC)/SNF arena with the goal of improving the quality of care provided. This also includes the ICF level which is licensed as well. The Social Security Act states that a facility must be administered in a manner that enables it to use its resources effectively and efficiently to attain or maintain the highest practicable physical, mental and psychosocial well-being of each resident. The Affordable Care Act (ACA) of 2010, Section 6106, amends the Social Security Act to promote greater



## Analysis of Problem

accountability and quality of care for LTC facilities by requiring the quarterly electronic submission of staffing data. The Centers for Medicare and Medicaid Services (CMS) has long identified staff as one of the vital components of a SNF's ability to provide quality care. In 2015, CMS amended 42 Code of Federal Regulations section 483.75 and in August 2015 published the final rule by adding the following:

*(u) Mandatory submission of staffing information based on payroll data in a uniform format. LTC facilities must electronically submit to CMS complete and accurate direct care staffing information, including information for agency and contract staff, based on payroll and other verifiable and auditable data in a uniform format according to specifications developed by CMS.*

The system developed by CMS is known as PBJ and will allow staffing information to be collected on a regular and more frequent basis than currently collected. Information required includes: employee category (e.g. Certified Nursing Aide (Assistant), Registered Nurse, Licensed Practical/Vocational Nurse, Physician, Therapist), resident census data, residents' care needs, employee turnover and tenure, and hours of direct care provided by each category of employee. The ability to audit the data will ensure accuracy. Data may be submitted electronically via an upload from an automated payroll or time and attendance system, manually, or a combination of both.

Six of CalVet's eight veterans homes include SNF and/or ICF levels of care. These veterans homes are licensed and surveyed by multiple agencies including the CDPH, CMS, and United States Department of Veterans Affairs (USDVA). As such, the veterans homes must comply with state and federal laws and regulations and have been impacted by recent changes in the health care industry.

### C. State Level Considerations

This proposal is directly in line with the CalVet's strategic goals and objectives:

**Strategic Goal 1:** Increase the accessibility and utilization of benefits and services through advocacy and education.

**Objective C:** Ensure ongoing support for California's veterans and their families through continuous communication.

**Strategic Goal 2:** Provide the highest quality of CalVet-sponsored care and services to veterans and their families.

**Objective D:** Provide the highest quality care in the VHCs by utilizing technology.

**Strategic Goal 3:** Make the CalVet an employer of choice by investing in the development of our employees.

**Objective D:** Transform the CalVet's computing environment by utilizing state of the art technology.

**Strategic Goal 4:** Provide premier long-term care with fiscal efficiencies.

**Objective B:** Reduce the cost of care.

### D. Justification

#### ISD

The ISD's Infrastructure and Operation Support section is charged with supporting network and server infrastructure that provides the backbone upon which IT services are provided as well as providing help desk and PC support to the CalVet's approximately 3,300 employees on a 24/7 basis. Additionally, this section provides second and third tier support for 250 plus work orders and 120 plus ISD production change control requests. A recently completed IT services portfolio for this group identified more than 100 services supported including a user profile management tool, an enterprise-wide remote control patch management and software distribution tool, a multi-tier network load balancer, and a video conferencing platform that has over 25 access points. Many of the systems supported are mission critical and have a direct impact on the health and safety of the veterans in the homes.

The Helpdesk is responsible for providing helpdesk and desktop support services to all CalVet locations. Helpdesk staff is located at HQ and all of the eight homes. Staff are responsible for managing the service request process and for all onsite technology needs at each home including approximately 18-25 separate IT services (depending on location), supporting and setting up all video



## Analysis of Problem

conferences, providing training to HQ and homes staff, and a variety of other time sensitive and mission critical IT services. In the first quarter of 2013 the Helpdesk received over 12,000 calls, worked on almost 5,000 help tickets, and 700+ service requests. This proposal requests funding for:

- 1.0 AISA to restructure the PC support Helpdesk to a 24/7 tiered system of support providing first-level support and services to staff working second and third shifts in the homes. This functionality is imperative in the delivery of care. If a clinician cannot be assisted during the off-shift, there is a direct impact to the resident. This AISA position is slated for first tier support on off-shift.
- 1.0 SISA position is needed to restructure the PC Support Helpdesk to a 24/7 tiered system of support providing first-level support and services to staff working second and third shifts in the homes. This functionality is imperative in the delivery of care. If a clinician cannot be assisted during the off-shift, there is a direct impact to the resident. This SISA position is slated for second tier support on off-shift.

## Contracts

An appropriately-staffed centralized Contracts Unit allows for standardization of contract agreements, terms and conditions, as well as the consistent provision of services throughout the VHCs system. A centralized Contracts Unit that ensures compliance with the SCM and public contract code will better satisfy control agencies such as the DGS, Bureau of State Audits (BSA), and State Controller's Office. A centralized Contracts Unit will provide structure to implement master bid contracts and schedules for services within the homes whenever possible.

A master bid contract results in the standardization of contract language and consistency in the cost and level of service provided by the awarded contractor. Additionally, the master (multiple) award process is recommended by the DGS Office of Legal Services as a solution to contractor non-performance. In 2015-16, the CalVet conducted its first master bid where a single HQ Contract Analyst processed one bid for all eight homes for three nursing services: Registered Nurse, Licensed Vocational Nurse, and Certified Nursing Assistant. Using this centralized master bid process, potential bidders chose which home(s) and services on which to submit bids. The master bid resulted in the award of nine contracts for all eight homes for all three nursing services. The master bid also included awards to a primary, secondary, and tertiary contractors for each VHC to ensure continuity of care in the event one or more contractor(s) are unable to perform services. While multiple awards are more complex in nature they are deemed necessary as contractor non-performance has been a common occurrence creating additional contract workload in the form of "short term" emergency contracts and subsequent rebids to award "long term" contracts to ensure there is not a break in critical contract services.

Due to the success of the first master contract solicitation and the need to standardize contracts whenever possible, HQ has already started to identify other services used by one or more of the eight homes that can be awarded through the streamlined master bid process. As of August 2015, CalVet identified 11 biddable on-site medical services, 37 non-biddable medical services, and 65 non-medical services used by all eight homes that may be converted from a single home/single award process to a multiple home/multiple award process. These multiple award contracts have the potential to standardize services and reduce costs as well as provide uninterrupted services on an ongoing basis to multiple homes.

The CalVet projects that the current number of contracts completed annually may also increase. While an exact number is difficult to project, the CalVet is aware that many services were obtained by using the purchase order method as opposed to the proper state contracting solicitation method. Due to the current backlog of contracts, the CalVet anticipates that purchase and/or service orders will be issued again at the end of the year as a "stop gap" to secure services. While not in alignment with the SCM, these instances are deemed necessary to secure services that, without being in place, put the homes at risk of losing one or more licenses, and/or to incur fines for being out of compliance with the requirements needed to pass surveys and inspections. However, if this practice continues, it places the CalVet at risk of losing its DGS delegated authority. This means securing services would take longer as DGS will need to perform CalVet's contract functions. In addition to losing this privilege, the CalVet will realize an increase in costs since the CalVet would be required to reimburse DGS for the work they will conduct on its behalf.



## **Analysis of Problem**

The proposed centralized Contracts Unit staffing model is successful at the California Correctional Health Care Services (CCHCS) and California Department of Corrections and Rehabilitation (CDCR) which oversees 33 adult institutions and 3 juvenile facilities. Centralization has resulted in standardized contract scopes of work, rates, general terms and conditions, and streamlined bid and contract award processes. Using the CCHCS and CDCR staffing model, bids and contracts processed at CalVet's centralized HQ Contracts Unit will be applied consistently regardless of the home's location, and contracts will be executed timely and with fewer errors as a result. This is critical in the CalVet's ability to implement standardization and reduce cost as well as to help maintain its DGS-approved delegated authority.

To effectively correct the current model issues, 1.0 SSM I (Supervisory), 3.0 AGPAs, and 1.0 OA positions are required to achieve standardized contract scopes of work, rates, general terms and conditions, and streamlined bid and contract award processes. The current Contract Analyst positions at the homes will be restructured to become contract liaisons.

## **Performance Management**

### **HRD**

Many staff hired at the new VHCs have no previous state civil service experience. Providing the necessary assistance and training in the areas of personnel/performance management and employer-employee relations is paramount for success. Labor issues are increasing at all VHCs due to inexperienced personnel staff, inexperienced managers/supervisors, and inefficient staffing schedules. The current Labor Relations Specialists cannot continue to dedicate an increasing amount of time to performance management, as they must be available to provide advice and assistance on labor relations matters in the CalVet as they are the liaison with CalHR, the Public Employment Relations Board, and other state agencies, contractors, labor organizations, and CalVet managers and supervisors. The Labor Relations Specialists are not available to ensure that the CalVet is compliant with the Dills Act, bargaining unit contracts, and state laws and rules because of the increase in performance management issues. The Labor Relations Specialists are critical to help ensure the CalVet does not face unfair labor practice charges, and they represent the CalVet in meetings with employee union organizations and on statewide negotiation teams. The Labor Relations Specialists manage the CalVet's grievance/arbitration processes and provide staff work, advice, and recommendations at all levels.

As managers and supervisors are hired, initial and ongoing assistance and training is needed in the areas of personnel/performance management and employer-employee relations. With only two Labor Relations Specialists positions, the VHCs have not been adequately trained and/or educated in employee-employer labor relations (Dills Act), and performance management Government Code sections 19572-19575 and 19173. As such, they continually need assistance and could benefit from a physical visit from the Labor Relations Office on at least a quarterly basis. However, due to increasing workloads in performance management and labor relations and lack of resources, the Labor Relations Office staff cannot visit the homes and/or provide the necessary training.

Recent operational experience in the HRD has demonstrated that existing staffing is no longer sufficient to meet the increasing workload. Unless additional positions are approved within the HRD, the CalVet will continue to experience significant increases in personnel process failures that will negatively affect the CalVet's mission to serve California veterans and their families.

To more efficiently and effectively address the performance management issues, 3.0 APAs and 1.0 SSM I positions are needed.

Additional funds in the amount of \$9,000 are included in this request for travel to and training at the eight VHCs.

### **Legal Division:**

The current workload in the Legal Division does not allow for existing staff to absorb the tasks associated with updating the CalVet's regulations, assisting with performance management activities, and handling the VHC-WLA, VHC-Lancaster, or VHC-Ventura litigation/personnel actions. The CalVet risks adverse rulings on evidentiary hearings and litigated matters if there are insufficient resources to



## **Analysis of Problem**

aggressively defend/bring those actions. This includes revenue collections related to the Morale, Welfare, and Recreation (MWR) Fund (millions of dollars). The CalVet is not budgeted to pay for outside private or public counsel, including contracting with the Department of Justice. The CalVet could contract with the Department of Justice and/or CalHR to assist with the increased workload. However, the costs are often more costly than creating a salaried position. For example, a single case previously referred to the Department of Justice in approximately April 2008 due to workload issues cost the CalVet nearly \$250,000 in attorney's fees for approximately six month's worth of legal services. The CalVet ultimately had to settle that case, where there was no liability, because the cost of the attorney's fees to defend the action was prohibitive. The CalVet could also contract with a private counsel. However, contracting out legal services that have traditionally been performed "in-house" could result in grievances from the California Attorneys, Administrative Law Judges and Hearing Officers in State Employment attorney's union (Bargaining Unit 2).

The Legal Division did not get any additional positions when the three Southern California homes were opened and the Legal Division is struggling to keep up with the increase in assignments generated by these new homes and to work on updating regulations. The Legal Division assignments have increased from 258 matters in 2008 (prior to the 2009 opening of the VHC-WLA, VHC-Lancaster, and VHC-Ventura) to 622 in 2015, an 83 percent increase.

To provide training to the Performance Management Unit on writing personnel actions, the SPB hearing processes, the CalHR hearing processes, writing legally sufficient declarations, evidence assembly, chain of custody, and how to get evidence admitted in administrative proceedings, 1.0 Attorney III position is needed to supplement the Legal Division staff. Furthermore, the Attorney III will support the Performance Management Unit when issues arise in the drafting of the actions, will handle prehearing settlement conferences, evidentiary hearings, absence without leave hearings, and other administrative hearings on matters written by the Performance Management Unit. Additionally, the Attorney III will be assigned litigation arising out of the VHC-WLA, VHC-Lancaster, and VHC-Ventura and will be assigned regulatory review to support a team of subject matter experts tasked with updating the CalVet's regulations.

Additional travel funds in the amount of \$27,000 are included in this request for travel for investigations, litigations, training etc. at the VHCs.

### **Reasonable Accommodation**

The EEO Office is responsible for responding to, investigating and disposing of all CalVet discrimination complaints. Said complaints must, in accordance with regulations set forth by SPB, be disposed of within a 90-day timeframe.

In calendar year 2013 it was projected that CalVet's complaints would increase by 25 percent with the activation of the VHC-Redding and VHC-Fresno and an additional AGPA/Investigator was hired to address this anticipated increase in workload. The increase in the volume of complaints was actually 50 percent, much higher than projected, due mostly to an unexpected high turnover of staff and personnel issues within the VHC-WLA. This resulted in an increased caseload for all EEO staff, including the EEO Officer.

However, no positions were authorized to address the increased volume of CalVet's reasonable accommodation requests, which have risen commensurate with an increase in staffing for the new homes and the EEO Officer/Manager has been required to manage the entire RA caseload for the CalVet. Compounded with a doubling in the number of discrimination complaints received in the EEO Office beginning in 2013 calendar year, each investigator must presently maintain a caseload of 2-3 complaints per month. This poses a challenge to disposing of complaints within the statutory time frame. The EEO Officer has singular responsibility within the CalVet for responding to, processing, and disposing of all CalVet requests for RA. Designated staff at each veterans home volunteer to serve as RACs and process requests within their respective facilities, but those staff do not serve exclusively in that role nor do they have decision-making authority. The EEO Officer must still oversee the process, render decisions, and finalize every request within the CalVet.

Like discrimination complaint activity, the number of RA requests also increased beginning in calendar year 2013 and is expected to continue to rise due to an increase in the size of the CalVet. However, in



## **Analysis of Problem**

contrast to the number of staff appointed to address the discrimination complaint workload, no staff has been budgeted to respond to and process RA requests to closure. The EEO Officer must oversee all such requests within the CalVet, in addition to maintaining an increased discrimination complaint caseload, and this volume of work compromises the EEO Officer's ability to effectively address and manage RA requests in a timely manner. Timely disposition of discrimination complaints is less impacted due to staff available to respond to them.

The EEO Officer/Manager also has sole responsibility for ensuring that all CalVet supervisory personnel receive training in the RA process to ensure that they respond to accommodation requests in accordance with CalVet RA Policy and Government Code section 12900, Federal Americans with Disabilities Act, et al. Failure to adhere to this process can result in disability discrimination complaints, appeals and lawsuits. New supervisors are being hired at the CalVet to staff the newer CalVet veterans homes and to backfill vacated positions (the VHC-WLA has had an inordinately high turn-over in leadership within the last two years). Those new supervisors pose a risk to the CalVet's RA process due to their lack of training and potential to take actions that are not in line with the process. Moreover, due to an increase in the volume of work for the EEO Office (discrimination complaints and RA requests), the EEO Officer/Manager is not able to provide this training as frequently as is now warranted.

The combination of these factors resulted in calendar year 2015 requests for accommodation that were not managed timely and/or in accordance with CalVet processes. Three of those issues were elevated to internal discrimination complaints and appeals to the SPB and are still being addressed by the EEO and Legal Divisions. Further complicating these matters is the fact that the EEO Officer deliberated on at least two of these RA issues, which compromises the EEO Officer's ability to adjudicate the matters as disability discrimination complaints.

Due to the nature of this position, the incumbent will be vested with a high level of autonomy, authority, and confidentiality and thus should work at the minimum level of a SSM I (Specialist) to facilitate communications at all levels and to manage the high volume of RA requests, provide guidance and direction and training to supervisory staff. The SSM I will serve to ameliorate the above concerns and ensure that CalVet staff is afforded fair treatment in accordance with the Fair Employment and Housing and Americans with Disabilities Acts.

Additional travel funds in the amount of \$3,000 are included in this request specifically for quarterly visits and training at the veterans homes.

### **PBJ Reports**

To remain in compliance with federal regulations and to continue to be eligible to receive Medicare funding, the CalVet must have a system for implementing PBJ reporting by June 30, 2016. Specifically, beginning July 1, 2016, LTC facilities that participate in Medicare and/or Medicaid/Medi-Cal will be required to submit electronically in a uniform format, direct care staffing information based on payroll and other verifiable and auditable data. In 2014-15, the CalVet drew down \$6.3 million in Medicare funding and \$7.0 million in Medi-Cal funding.

PBJ will require the VHCs to submit information on 1) staff turnover and tenure, including start and termination dates, 2) exempt and nonexempt staff and contract staff, and 3) number of hours each staff member is paid to deliver direct care service to residents in certified beds for each day worked. PBJ requires submission of monthly census data, including number of residents whose primary payer is Medicaid/Medi-Cal, number of residents whose primary payer is Medicare, and other – number of residents whose primary payer is neither Medicaid/Medi-Cal nor Medicare. PBJ also requires that each employee have a unique employee number assigned for tracking and reporting purposes that may require payroll and other systems modifications. This number may not be their position number or social security number.

Currently, over 1,400 CalVet employees provide direct care to over 1,000 residents living in the affected six VHCs with SNF/ICF levels of care. Hours worked are manually tracked, there is no system to electronically track employee hours by type of work they are performing.



### ***Expanded Definition of Direct Care Staff***

Currently, the VHCs report direct care hours provided by Registered Nurses, Licensed Practical/Vocational Nurses, and Certified Nursing Aides (Assistants). PBJ reporting expands the definition of direct care staff to individuals who, through interpersonal contact with residents or resident care management, provide care and services to allow residents to attain or maintain the highest practicable physical, mental, and psychosocial well-being. Therefore, the CalVet will now be required to track and submit the hours of resident contact for social worker, physicians, dietitians, therapists. This expansion in reporting has a significant impact on existing workload.

### ***Current Reporting Tools Inadequate***

PBJ requires the VHCs to make a distinction between hours paid and hours worked that are recorded with other compensation such as compensating time off. However, in California bargaining unit contracts allow time to be worked that is not paid directly. The VHCs will be required to report hours paid for services performed onsite for the residents of the facility, with the exception of paid time off (e.g., vacation, sick leave, etc.). For example, if a salaried employee works 10 hours but is only paid for 8 hours, only 8 hours should be reported. This is a change from current reporting requirements. Also, to comply with the PBJ reporting requirements, the CalVet will have to devise a new unique employee number for CalVet staff and contracted personnel. Existing numbers such as social security number or position number cannot be used. Each individual must have a unique employee number assigned for tracking and reporting purposes.

In addition, an employee may perform different roles or duties throughout the day. PBJ requires reporting based on specific activities. It also requires data reported be auditable and able to be verified through either payroll, invoices, and/or tied back to a contract. The VHCs must develop and use a reasonable methodology for calculating and reporting the number of hours spent conducting primary responsibilities. For example, if a Medical Director is required to participate in quality improvement meetings and see a certain number of patients each month, the veterans home should have a reasonable methodology for converting those activities into the number of hours paid to work and only report the direct care provided.

PBJ does not allow hours spent in training to be counted towards direct care. For example, if the direct care staff (e.g. Certified Nursing Assistant) attending training (either onsite or offsite) is not available to provide resident care, the hours that the staff is in training should not be reported. If another staff member is called in to fill in for a nurse that is away for training, the hours for the called-in nurse should be submitted. This again creates a new level of complexity to the tracking of hours.

### ***Reporting for Contracted Staff***

PBJ requires the VHCs to submit hours for contract staff even though they are not in the state payroll system or time and attendance system. This is new, additional data and not currently tracked. New processes and systems are necessary to meet this requirement. Contracts may need to be amended. The CalVet is evaluating three options to track and report the hours and payroll for contracted staff.

1. VHCs include contract staff hours in their attendance system (e.g., have contractors "swipe in and out") or enter contractor hours manually through the PBJ online data entry process.
2. VHCs can have contract staff enter hours as a designee of the facility in the PBJ system.
3. A vendor can provide the VHC with an XML file that meets the technical specifications and the files can be uploaded and merged.

### ***Overall Impact of Multiple Federal Requirements***

This new process is occurring at the same time as several other federal mandates that require significant resource investment, including:

- Transition to International Classification of Diseases-10 (ICD-10) and post implementation activities.
- Initiation of reporting data for the Quality Reporting Program related to the Improving Medicare Post-Acute Care Transformation Act of 2014 or IMPACT Act of 2014 (H.R. 4994).



## Analysis of Problem

- Initiation of 30-day all-cause, all-condition re-hospitalization reporting.

These programs are aimed at improving quality care and data exchange. The CalVet welcomes improvements in healthcare and is eager to demonstrate its ability to provide exceptional care to veterans, but the workload is not absorbable and has a high degree of consequence if not performed timely and accurately.

### ***Steps Required to Get PBJ Ready for Implementation***

The CalVet's action plan will include the following steps for the over 1,400 potential staff that would provide direct care as a portion of their work.

To implement PBJ, the CalVet requests 2.0 AGPA positions that will be housed at the VHC-Yountville and VHC-Fresno and will support the remaining veterans homes in complying with the federal requirements.

## **E. Outcomes and Accountability**

### **ISD**

The availability of additional staff will allow the CalVet's ISD to support the current volume of incoming Helpdesk and desktop requests. Requested resources will be measured along with workload improvements through monthly workload analysis reports.

### **Contracts**

The CalVet's restructured Contracts Unit staffing model will allow 100 percent of the bidding and contract processes for all eight VHCs and three cemeteries to be completed by the HQ Contracts Unit.

The approval of this proposal and the addition of the five new positions will allow for the following:

- The standardization of the contracting process throughout the VHC system.
- Elimination of the duplication of work currently in practice as each home pursues its own contract for services.
- Implementation of a master award process for all VHCs whenever possible.
- Reduction in the use of emergency contracts within the VHCs.
- Compliance with state contracting laws and requirements.
- Compliance with control agencies such as DGS and BSA.
- Leveraging services for the CalVet to obtain the best rates and services.

The four positions currently at the VHC-Yountville, VHC-Chula Vista, VHC-Redding, and VHC-Fresno will be restructured to work as contract liaisons similar to positions already at the VHC-Barstow and VHC-WLA. Contract liaisons will work directly for the homes' administrators and will have full knowledge of the homes operations and priorities, but the HQ Contracts Unit manager(s) will have oversight of the work being performed.

Contract liaisons will be responsible for monitoring the home's contracts, contract budgets, invoices, contractor's performance, and tracking all contractor licenses and insurance to ensure they are current and valid for the term of the contract. The liaison will work directly with the various programs at the home to ensure Service Contract Requests, Scopes of Work, and Non-competitive Bid justifications are thoroughly completed and submitted timely to the HQ Contracts Unit for processing.

The SSM I will ensure contracts developed by the analysts meet SCM and public contract code requirements.

### **Performance Management – HRD/Legal Division/RA**

The requested positions will enable the CalVet to provide and assist with meeting the new homes' recruitment shortfalls, as well as adequately train managers/supervisors and personnel staff in the areas of personnel/performance management and employee-employer labor relations. The staffing augmentation will reduce potential liability to the state, while reducing expenditures for outside counsel.



## Analysis of Problem

that have/may result from the backlog of work from the eight VHCs. It will eliminate the additional costs currently being incurred as a result of the referral of personnel cases to CalHR. Additionally, it will continue to allow the litigation matters to be handled “in-house” more efficiently and cost-effectively. Proper training of the staff along with ongoing legal counsel and a RAC will prevent stale personnel actions, reduce employment litigation, and provide timely, satisfactory resolution to employee complaints and overall will increase the quality of care provided to California’s veterans.

### PBJ Reports

The requested AGPA positions will enable the VHCs to submit the required data in the specified format to CMS. Participation in the Medicare and Medicaid/Medi-Cal programs requires reporting this data. Failure to report the data may be viewed as lack of compliance. CMS will use the full array of remedies available to enforce compliance. At this time, the CMS has not shared information about how the PBJ will impact the Five Star Rating System for LTC facilities.

## F. Analysis of All Feasible Alternatives

**Alternative #1:** An augmentation of \$1.746 million (\$1.643 million General Fund and \$103,000 F&H Fund) in 2016-17 and \$1.662 million (\$1.563 million General Fund and \$99,000 F&H Fund) annually thereafter for 15.0 currently authorized, but unfunded, positions to provide support for the CalVet’s programs as a direct result of rapid growth in the VHCs over the past six years. The funding and positions will support the information services, contracts, performance management, and new federal PBJ reporting requirements.

Pros:

- Improve ISD service and support to employees providing patient care during off shifts.
- Reduce health and safety risks to residents by having ISD staff available 24/7.
- Reduced risk of losing DGS delegated contract authority due to lack of compliance with SCM and public contract code.
- Appropriate level of staffing to process the existing contracts workload as well as the ability to develop additional master services contracts.
- Implement standardization of all several contracts services, follow bid/contract schedules to stagger workload evenly throughout the year, and allow the appropriate timeframes to be used to process contracts in accordance with all state contract processes.
- Ability to eliminate the use of unnecessary emergency contracts as most services on the bid and contract schedules are used at all homes, and if a renewal request is not received by one or more of the homes, HQ will know immediately.
- Licensure of the homes and the health and safety of the residents at the VHCs will be protected as all services required by law will have contracts in place.
- Home contract liaisons will be available to assist contract managers within the homes with their daily contract responsibilities by monitoring contractor work performance and invoices submitted for payment to ensure the state is receiving the contract services in accordance with the scope of work and charged for work completely satisfactorily at the rates stated in the contract.
- Ability to maintain consistent and effective employer-employee labor relations.
- Ability to represent the CalVet at contract negotiations.
- Ability to provide recruitment, supervisory support, and assistance at the veterans homes to support quality staffing.
- Ability to provide consistent training and practical knowledge to support CalVet management.
- Eliminate unbudgeted CalHR attorney’s fees incurred at the rate of \$170 per hour.
- Avoid increased costs in attorney’s fees by alleviating the need to refer litigation matters to the Department of Justice at a cost of \$170 per hour.

## Analysis of Problem

- Reduction in the potential for employment law related settlements/judgments.
- Compliance with CMS requirements for PBJ.
- Enables the VHCs to continue receiving Medicare and Medicaid/Medi-Cal payments if compliance with PBJ is met.
- Facilitates accurate staffing surveys by completing the PBJ staffing documentation.
- If done accurately, the PBJ may have a positive impact on the Medicare Five Star Rating System.

### Cons:

- Increased cost to the General Fund.

### **Alternative #2:** Approve all but the PBJ positions and delay CMS reporting.

### Pros:

- Less increase to the General Fund than Alternative #1.

### Cons:

- Jeopardize revenue stream and potential for citations and fines through failure to comply with federal regulations for PBJ.
- Potential for loss of Medicare certification.
- Potential decrease in Medicare Star Ratings.

### **Alternative #3:** Approve all but the ISD positions permanently and approve ISD positions as permanent intermittent employees to fill the gap.

### Pros:

- Less increase to the General Fund than Alternative #1.

### Cons:

- Only a temporary fix and does not solve the problem permanently.
- ISD service and support to employees providing patient care during off shifts will not be reduced with permanent intermittent employees.
- Increased health and safety risks to residents by not having ISD staff available 24/7 as permanent intermittent employees are limited in their work hours per year.
- Part-time intermittent employees have an increased turnover rate than full-time employees.
- Additional time required to train and onboard the part-time intermittent employees.

### **Alternative #4: Status Quo.**

### Pros:

- No additional cost to the General Fund.

### Cons:

- Diminished ISD service and support to employees providing patient care during off shifts.
- Increased health and safety risks to residents by not having ISD staff available 24/7.
- Without a contract liaison the VHCs will be without required contract support and management needed for successful implementation of multiple award contracts.
- Risk of losing DGS delegated contract authority due to lack of compliance with SCM and public contract code.
- Inability to maintain effective employer-employee labor relations.



## **Analysis of Problem**

- Potential loss of collections related to the MWR Fund because existing legal staff is consumed with defending the CalVet and has been unable to devote its previously designated legal resources to collections.
- Continued increase of employment law litigation.
- Jeopardize revenue stream and potential for citations and fines through failure to comply with federal regulations for PBJ.
- Potential for loss of Medicare certification.
- Potential decrease in Medicare Star Ratings.

### **G. Implementation Plan**

April 2016 – Develop duty statements.

April/May 2016 – Advertise positions pending budget approval.

June 2016 – Conduct interviews.

July 2016 or upon passage of the Budget Act – Start date for the positions.

### **H. Supplemental Information**

Office space, module furniture purchase and set up, purchase of telephones and computers will be necessary for the new positions.

### **I. Recommendation**

Approve Alternative 1, an augmentation of \$1.746 million (\$1.643 million General Fund and \$103,000 F&H Fund) in 2016-17 and \$1.662 million (\$1.563 million General Fund and \$99,000 F&H Fund) annually thereafter for 15.0 currently authorized, but unfunded, positions to provide support for CalVet's programs as a direct result of rapid growth in the VHCs over the past six years. The funding and positions will support the information services, contracts, performance management, and new federal PBJ reporting requirements.

**Administrative Support Services  
Workload Analysis**

Classification	Position Function	Location	Duties	Annual Hours	Start Date
<b>Information Services Division (ISD)</b>					
Assistant Information Systems Analyst	Off shift Service Desk and PC Support (1st Tier)	Fresno or Yountville	Provide 1st level help desk problem resolution and assist customers experiencing hardware and software problems. Answer incoming helpdesk calls and log reported problems into a problem management database. Process service requests and helpdesk email tickets via outlook.	935	July-2016
			Work with lead staff to perform diagnosis, repairs, setup, and configuration of all computer equipment.	450	
			Install new computer equipment; disconnect, relocate and reconnect existing computer equipment. Install software, including upgrades in operating systems and applications.	140	
			Provide basic software and hardware training to customers.	175	
			Other related duties as required.	90	
			<b>Total Hours</b>	<b>1,790</b>	
			<b>PYs @ 1,776 hours per year</b>	<b>1</b>	
Staff Information Systems Analyst	Off shift Service Desk and PC Support (2nd Tier)	Fresno or Yountville	Provides 2nd and 3rd level support for the more complex PC support/helpdesk related problem resolutions.	935	July-2016
			Support and maintain the wireless devices and VDI sessions, SCCM, VTC, and ghost servers.	468	
			Independently configure and install personal computers, printers, wireless devices, and other peripherals.	140	
			Independently research and analyze information technology issues as assigned and prepare reports for management.	188	
			Assist network administrators with network related issues.	90	
			<b>Total Hours</b>	<b>1,821</b>	
			<b>PYs @ 1,776 hours per year</b>	<b>1</b>	

**Administrative Support Services  
Workload Analysis**

Classification	Position Function	Location	Duties	Annual Hours	Start Date
<b>Contracts</b>					
Staff Services Manager I (Supervisor)	Contracts	HQ Office of Procurement and Contracts	Assign Contract Service Requests (DVA 2923) to contract analysts for processing, provide guidance to analysts in methodology for award of contract. Direct standardization of Scope of Work and Rate Sheets which may include up to eight Homes and headquarters participation. Provide oversight and preliminary and final reviews of contract and bid documents, Master Contracts, Request for Proposals, Invitation for Bid, Non-competitive Bids, Special Category Requests, Emergency Declarations, Contract Termination and Award Letters, Protests, and contractor awards including Multiple Contract Awards to primary, secondary, and tertiary contractors.	1,067	July-2016
			Responsible for the supervision of 3 Contract Analysts and 1 Office Assistant, monitoring work assigned, assessment and provision of training needs, and completion of probation reports and Individual Development Plans.	200	
			Assign contract work related to standardization, revisions and updates to bids, contracts and contract related documents. Assist staff in the development and maintenance of required contract tools for award such as Master Contract Cost Allocation Worksheet, Service Matrix, and User Instructions for Multiple Awards as required by DGS/Office of Legal Services.	400	
			Provide training to staff to ensure compliance with all appropriate state procurement and contract laws, rules and regulations. Provide training to the Contract Liaisons and Home Contract Managers on contract laws, rules, regulations, policies and procedures needed to monitor contracts.	277	
			<b>Total Hours</b>	<b>1,944</b>	
			<b>PYs @ 1,776 hours per year</b>	<b>1</b>	
Associate Governmental Program Analyst	Contract Analysts	HQ Office of Procurement and Contracts	Serve as Contract Analyst supporting all eight Veterans Home of California and headquarters. This position prepares and processes contract and bid documents and conducts competitive bids requested by Program Managers and headquarters Administration.	2,767	July-2016
			Work on standardization and training projects as required to maintain and update all bid and contracts documents, and letters, form, etc. needed to award contracts.	1,326	
			Facilitate bidder's conferences, instruct scoring panels and perform all functions and activities necessary to finalize agreements between the Department and other public and private entities.	798	
			Attend meetings pertinent to providing contract services to the Department and or Home and assist in Department DVBE and SB outreach programs.	270	
			Interact and act as the liaison with the Home Contract Managers, Program Chiefs, Administration, public agencies, private companies, and general public.	270	
			<b>Total Hours</b>	<b>5,431</b>	
			<b>PYs @ 1,776 hours per year</b>	<b>3</b>	

**Administrative Support Services  
Workload Analysis**

Classification	Position Function	Location	Duties	Annual Hours	Start Date
Office Assistant General	Contracts Office Support	HQ Office of Procurement and Contracts	The Office Assistant provides administrative support for the headquarters Office of Procurement and Contracts Unit. On a daily basis, the Office Assistant will answer and transfer and answer a variety of basic questions related to contracts and bids, including provision of contract and bid status' to the Homes and headquarters programs. Field questions from both the public and departmental customers by phone, enter contract data necessary for tracking and reporting purposes into an Access database, create contract file folders, copy contract documents, prepare contracts for routing approval, and distribute executed contracts to stakeholders.	1,786	July-2016
			On an annual basis provide maintenance of and archive contract files.	90	
			Total Hours	1,876	
			PYs @ 1,776 hours per year	1	
Performance Management					
Staff Services Manager I (Supervisory)	Performance Management	HQ Human Resources Division	Under the direction of the Assistant Deputy Secretary, Human Resources Division (HRD). Responsible for managing, planning, and supervising CalVet's Performance Management Unit in the areas of performance management and labor relations.	747	July-2016
			As a member of the management team, represent the department in meetings and negotiations on sensitive and significant issues with CalHR, SPB, union organizations, and other state agencies. Provide consultant services to the Assistant Deputy Secretary, HRD, other division management, and the Personnel Officers at the eight Veterans Homes regarding complex and confidential performance management and labor relations matters. Attend executive staff meetings to offer input and advice on personnel related policies and procedures.	617	
			Develop, modify, and administer program goals, policies, and procedures to comply with personnel laws and rules, improve operational efficiencies, and meet the changing needs of the department. Recommend strategies to effectively resolve personnel matters utilizing laws, rules, policies, procedures bargaining unit contracts and management input.	312	
			Provide leadership and direction to staff. Assess employee performance. Conduct staff meetings. Participate on Exam and Hiring interview panels. Select and train staff. Perform special projects as requested by the Assistant Deputy Secretary of Human Resources Division. Act as the Assistant Deputy Secretary in her absence.	312	
			Total Hours	1,988	
			PYs @ 1,776 hours per year	1	



**Administrative Support Services  
Workload Analysis**

<b>Classification</b>	<b>Position Function</b>	<b>Location</b>	<b>Duties</b>	<b>Annual Hours</b>	<b>Start Date</b>
Associate Personnel Analyst	Performance Management	HQ Human Resources Division	Review and prepare adverse actions, rejections on probation, AWOL separations, non-punitive actions, medical actions, corrective counseling memos, and other types of notices/responses as required (UI claim disputes, etc.) Attend Skelly/Coleman hearings, represent the department at settlement conferences and SPB/CalHR hearings. On lesser actions, may present the case before an SPB ALJ.	1,975	July-2016
			Counsel employees and management on various personnel issues, (e.g., progressive discipline, upward mobility, recruitment).	1,975	
			Review and respond to grievances at appropriate levels, investigate the various allegations and render a decision. Provide Performance Management and other HR-related training to managers and supervisors.	1,580	
			<b>Total Hours</b>	<b>5,530</b>	
			<b>PYs @ 1,776 hours per year</b>	<b>3</b>	

**Administrative Support Services  
Workload Analysis**

Classification	Position Function	Location	Duties	Annual Hours	Start Date
Attorney III	Performance Management/ Regulations	HQ Legal Division	Act as counsel of record and trial counsel in complex or sensitive civil matters in state and federal court; conduct law and motion hearings and jury trials, in such fields as health care, tort, employment discrimination, insurance, contract and bad faith litigation; handle appeals to the state and federal courts and Supreme Court of California; conduct the researching, drafting and filing of legal briefs, papers and pleadings for the department; and counsel and mentor the less experienced attorneys.	458	July-2016
			Study, interpret and apply laws, court decisions and other legal authorities, prepare or assist in preparing cases, opinions, briefs and other legal documents such as memoranda, digests, summaries and reports; responsible for preparing or assists in the preparation of cases which may result in litigation before boards, commissions, hearing officers, administrative law judges, trial or appellate courts, assemble and evaluate evidence; secure and interview witnesses, assist in and hold hearings.	350	
			Represent the Agency in sensitive personnel matters and handle hearings which may result in significant subsequent litigation. Create and deliver training.	350	
			Conduct special investigations involved in the enforcement of State laws and Agency rules and regulations; do a wide variety of legal research; provide advice of opinions to departmental management or members of the public on legal issues arising out of the programs of the Agency in which the incumbent is employed and of the legal effect of rules, regulations, proposed legislation, proposed regulations, statutory law, court decisions and administrative actions; develop proposed legislation; testify before legislative committees; and conduct negotiations.	266	
			Advise the executive office, senior staff and the California Veterans Board on important new points of law, complex legal matters and sensitive issues.	88	
			Research and write legal opinions; represent the Agency in administrative proceedings; review contracts, deeds, and other documents for legal sufficiency; and perform other work of a legal nature as required.	88	
			Conduct contract reviews to insure regulations, statutes and constitutional provisions governing the Agency are met.	88	
			Other duties as required by the Deputy Secretary/Chief Counsel.	88	
			<b>Total Hours</b>	<b>1,776</b>	
			<b>PYs @ 1,776 hours per year</b>	<b>1</b>	

**Administrative Support Services  
Workload Analysis**

Classification	Position Function	Location	Duties	Annual Hours	Start Date
Staff Services Manager I (Specialist)	Reasonable Accommodation	HQ - EEO Office	Manage and coordinate the CalVet Reasonable Accommodation (RA) program; receive and respond to requests for RA; oversee the RA process at all remote CalVet facilities; engage in the interactive process with staff; document all elements of the interactive process; track all Agency RA activity; maintain activity logs and confidential files; and identify on CalHR's statewide Reasonable Accommodation Coordinator list as the RAC for CalVet.	988	July-2016
			Track applicable statutes, regulations and precedential court decisions; make recommendations to the EEO Officer/Manager for RA Policy and Program updates; ensure program forms are up-to-date, accessible and coincide with applicable laws and regulations; provide training and guidance on the RA process to CalVet supervisory staff; maintain regular contact with RACs at remote CalVet facilities and ensure those staff receive appropriate training, support and guidance; and attend regular trainings, webinars and workshops relevant to RA.	444	
			Serve as liaison for the CalVet EEO, Human Resources, Legal Offices, and external governmental entities on all matters pertaining to RA within the Agency; respond to requests from the Legal Office regarding RA matters; work collaboratively with the CalVet Return-to-Work Coordinator(s) on accommodation issues for employees with industrial injuries; provide expert witness testimony when required pertinent to Agency RA matters; and represent the Agency at all external functions or events relating to employees with disabilities within State Civil Service.	444	
			<b>Total Hours</b>	<b>1,876</b>	
			<b>PYs @ 1,776 hours per year</b>	<b>1</b>	
<b>Direct Care Reports</b>					
Associate Governmental Program Analyst	Payroll-Based Journals	Fresno/ Yountville	Establish annual data collection process, identify who must be counted and who is the point of contact. Oversee the reporting process to maintain compliance.	1,000	July-2016
			Collect monthly data on staffing from various departments in six veterans homes.	1,000	
			Audit data provided by six veterans home.	500	
			Upload data monthly to CMS approved site using approved format to meet the annual requirements.	500	
			Assist during CMS surveys for any questions related to staffing reports.	500	
			<b>Total Hours</b>	<b>3,500</b>	
			<b>PYs @ 1,776 hours per year</b>	<b>2</b>	